

The United States and Foreign Commercial Service





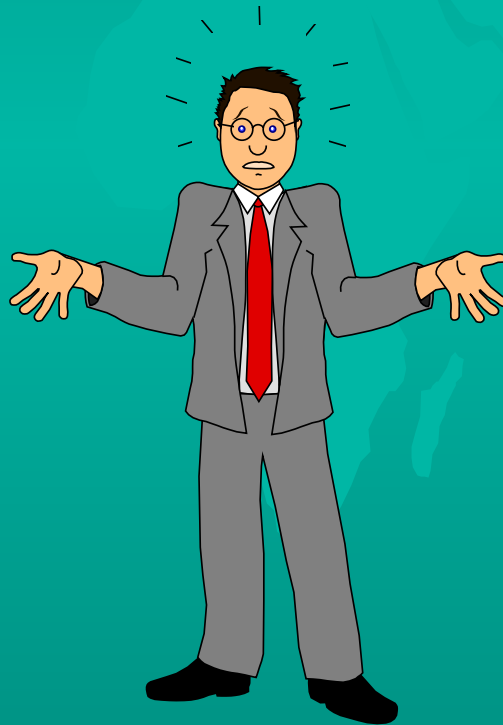
Building America's

Exports:

One Company

at a Time

Is Your Company Ready to Export?



Assessing Your Company's Readiness

Answering some general questions will help determine your readiness to export

- ◆ What does the company want to gain from exporting?
- ◆ Is exporting consistent with other company goals?
- ◆ What demands will exporting place on your company's resources?
- ◆ **Are the expected benefits worth the costs?**

Are Your
Products Export
Ready?



Determining the Export Potential of Your Products

- ◆ Examine the success of your product in the domestic market
- ◆ Assess the unique or important features of your product
- ◆ Ask the question:

WILL IT SELL IN A FOREIGN MARKET?

Develop an Export Marketing Plan

Items to Consider:

- * What are the target countries?
- * Does the product need to be altered
- * Does the branding, labeling and packaging need to altered?
- * At what price should the product be sold?
- * What are the best channels of distribution?

Developing an Export Marketing Plan

The Ten Questions



1. Which products are selected for export development? What modifications, if any, must be made to adapt them to overseas markets?
2. Which countries are targeted for sales development?
3. In each country, what is the basic customer profile?

The Ten Questions



4. What special challenges pertain to each market and what strategy will be used to address them?
5. How will the export sale price be determined?
6. What specific operational steps must be taken and when?

The Ten Questions



7. What will be the time frame for implementing each element of the plan?
8. What personnel and company resources will be dedicated to exporting?
9. What will be the cost in time and money for each element ?
10. How will results be evaluated and used to modify the plan?

Market Research

Market research encompasses all methods that a company may use to determine which foreign markets have the best potential for its products.

- ◆ To successfully export your product, you should examine foreign markets through research.

A Step-by-Step Approach to Market Research

A. Screen Potential Markets

Step 1. Obtain export statistics that indicate product exports to various countries.

Step 2. Identify five to ten large and fast growing markets for your product(s)

Step 3. Identify smaller markets that could provide ground-floor opportunities

Step 4. Target three to five statistically promising markets for further assessment

Steps to Market Research

B. Assess Targeted Markets

Step 1. Examine trends for company products and calculate overall consumption

Step 2. Ascertain the sources of competition

Step 3. Analyze factors affecting marketing and use of the product

Step 4. Identify any foreign barriers to entry

Steps to Market Research



C. Draw conclusions

**The Company's Internal Resources
Should Determine its Level of Effort**

Branding, Labeling, and Packaging

- ◆ Companies looking to export should consider the following questions:
 - Are international brand names important to promote and distinguish a product?
 - Are colors used on labels and packages offensive or attractive?
 - Should labels be produced in official or customary languages?

Pricing Considerations

- In the domestic market, few companies are free to set prices without carefully evaluating the pricing policies of their competitors. The same rule holds in exporting.

Pricing Summary

Here are some points to remember when determining the price of your products:

- ◆ Determine the objective in the foreign market
- ◆ Compute the actual cost of the export product
- ◆ Compute the final consumer price
- ◆ Evaluate market demand and competition

Channels of Distribution Include:

- ◆ Sales Representatives
- ◆ Agents
- ◆ Distributors
- ◆ Foreign Retailers
- ◆ End Users

Making the Government Work for You

- ◆ **The U.S.
Department of
Commerce is a
great place to
start.**





The Commercial Service

A Worldwide Network of Export Assistance

- ◆ Services to locate and evaluate overseas buyers
 - International Partner Search, Gold Key Service, Commercial News USA, Incoming Buying Delegations, TOPS, Videoconferencing Technology
- ◆ Country & industry specific market research reports
- ◆ Export documentation requirements
- ◆ U.S. export licensing and foreign import requirements



The Commercial Service

◆ **Overseas Posts**

Commercial Service Officers are at work in 88 countries. They provide a variety of services including:

- ◆ Background information on foreign companies
- ◆ Matchmaking
- ◆ Business counseling
- ◆ Interpreting services if needed

Business Contact Programs

◆ ***International Partner Search***

The IPS service provides a custom search for foreign companies and representatives on behalf of a qualified U.S. firm. Commercial Service Specialists overseas identify up to six firms that are interested in your product or service.

Business Contact Programs

◆ *Gold Key Service*

This program is a custom-tailored business matching service with features such as:

- ◆ Orientation Briefings
- ◆ Market Research
- ◆ One-on-One Meetings
- ◆ Interpreter Services
- ◆ Assistance in Strategy Development



Business Contact Programs

◆ ***International Company Profiles***

An ICP is a background report on a foreign firm which includes information on:

- ◆ Type of Organization
- ◆ General Size
- ◆ Product Lines Handled
- ◆ Language Preferred
- ◆ Trade and Bank References, etc.

Trade Event Programs

◆ ***Matchmaker Trade Delegations***

These are Department of Commerce recruited and planned trade missions to prospective overseas buyers.

- ◆ Matchmaker delegations usually target two to three countries with strong export potential.

Trade Event Programs

◆ ***Multi-State/Catalog Exhibitions Program***

This program showcases U.S. company product literature in fast-growing markets within a geographic region.

The U.S. Department of Commerce presents product literature to interested prospects abroad.

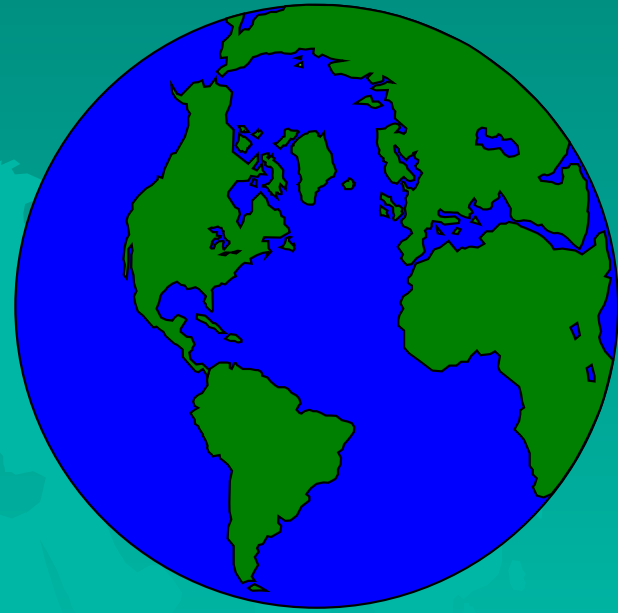
Assistance Sources

◆ ***The Trade Information Center***

The TIC is an excellent source of export information.

- ◆ Locating and using government services
- ◆ The export process
- ◆ Sources of general information
- ◆ Basic export counseling

1-800-USA-TRADE



Remember...

95% of the world's consumers
live outside of the United
States. It is time to think
internationally!



Cabazon/Indio Export Assistance Center

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